

WEDNESDAY

**REGULAR MEETING
7:00 P.M.**

MAY 2, 2012

This Regular Meeting of Council was called to order on the above-stated date at the above-stated time after the Pledge of Allegiance and a Moment of Silence by President of Council Darryl Segina with the following Members of Council present:

RC-1 PRESENT: DALE McCALL, KEITH SOLES, DANIEL CARR, DARRYL SEGINA, RICHARD DELLAPENNA, V. FAWN WALKER-MONTGOMERY, ALFRED TEDESCO, JR.

Pastor Debbie Kociban of First United Methodist Church in McKeesport led the prayer.

Mr. Segina said also present were Mayor Michael Cherepko, City Administrator Matthew Gergely, City Solicitor J. Jason Elash and members of the Administration including Police Chief Washowich, Fire Chief Lust, Recreation Director Jim Brown and Community Development Director Bethany Bauer. He said the Sergeant-at-Arms this evening is Detective Joe Osinski.

APPROVAL OF MINUTES:

MOTION: Mr. Tedesco moved, seconded by Ms. Walker-Montgomery, "To approve the minutes for the Regular Meeting of Council on April 4, 2012."

RC-2 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA, WALKER-MONTGOMERY, TEDESCO 7
NAYS: NONE..... 0

COMMUNICATIONS:

- Received an invitation from the NAACP to attend their Spaghetti Dinner on Saturday, May 5, 2012 at the former YWCA Building.
- Received a letter from Stanley Louis Gorski from SHACOG, RE: Storage Offer for Remaining Rock Salt to be Purchased.
- Received a memorandum from John Palyo, Executive Director of the Twin Rivers Council of Governments, RE: Joint Bid for Solid Waste Collection and Disposal, Municipal Survey.
- Received the McKeesport Fire Department Report for the month of April from Fire Chief Kevin Lust.
- Received the monthly report for April from the Police Department from Chief Bryan Washowich.

MAYOR'S REPORT:

- Mayor Cherepko said thank you, Mr. President. He said he will be brief this evening. He said he has a couple of things he would like to go over that were discussed last evening. He said the Regional Trail has been an issue here in the City and they have said the City of McKeesport is one of the most confusing parts of the entire trail. He said with the help of Councilman Dan Carr, who is a member of the McKeesport Trail Committee, they have been working with Allegheny County and they will be connecting the Trail from the RIDC site which will run straight down behind the parking garage, behind the Daily News, behind this building and this part will be a share of the road and then it will go straight down through the parking lot below until it connects to the other trail. He said also with that there is another thing on the Agenda this evening, which will be for Locust Street. He said this portion will go from the train bridge down through the

RIDC site. He said that part of the trail will be set up to look similar to the trail in the Waterfront. He said it is a totally separate bike trail on the side of the road. He said they are very excited about that and hopefully the project will be completed within the next couple of months at the latest. He said that will all be paid with grant money that will cover the expenses for that. He said they also talked about another item that is on the Agenda for Council today and that is the Arle Grant. He said the Arle Grant is broken down into two pieces, one is the Rebecca Street project, which Bethany presented to Council last evening. He said that project is roughly \$200,000 and is down by the Elbow Room. He said there will be all new poles and lights and the entire intersection will be upgraded. He said the second part of the Arle Grant is the Walnut Street Corridor, which runs from Ninth Street all of the way down through Christy Park to 30th Street. He said this is a \$100,000 grant for equipment only. He said they will have the City Electrician, Tom Rosso, put that equipment into place. He said that portion includes all new stoplights down Walnut Street. He said there are a lot of complaints that come into the office in regard to waiting for lights to change and lights changing when there is no need. He said with these new lights and new technology that will no longer be an issue. He said with that is the third thing, which has finally been approved and has not been brought to Council yet. He said that is the Lysle Boulevard project. He said they will have the same type of project on Lysle Boulevard. He said the entire Lysle Boulevard from the Jerome Street Bridge all the way to Hartman Street will get all new traffic lights, all new resurfacing of the road, and over 80 handicap ADA ramps will be installed. He said that will help with the lawsuit that they were faced with a few years ago. He said once again that will all be done with grant money. He said this is a multimillion-dollar project that will be coming to their City. He said obviously Lysle Boulevard is a highly traveled road and an artery through McKeesport. He said a lot of people just travel through the City on Lysle Boulevard also. He said they are very excited about that. He said he

doesn't know if that will be ready for next month or the month after, but it is approved and there is well over \$1 million in equipment alone, not to mention the contract to make it all happen. He said it will definitely be a few million dollars to complete that project.

- Mayor Cherepko said regarding events in the City, Jim Brown is here today and has a whole list of events that will be taking place in the City. He said they have the list of events with them this evening. He said he is not going to go through everything. He said on May 20 there will be a Bike and Boat Safety Awareness in Gergely Park. He said, of course, they have all of the groups at the band shell with the Concert Series in place again. He said there will be a Fishing Derby on June 9, the Circus is coming to town, there is Good Neighbor Day and many different things. He said there will be a Civil War Re-enactment, International Village and many other items that run through October 27. He said he has extra copies if the media would like a copy. He said they are very excited about the things that will be happening as far as the events.
- Mayor Cherepko said the last thing he has is that he would like to apologize for getting this Vacant Property Review Committee to Council at the last second. He said it was brought to his attention that the entire committee was out of date and the money is now here. He said that is good news for any residents that were looking to acquire vacant property next to them in the past and got on a list. He said the grant that they received through Senator Brewster is now in so they will have roughly \$160,000 to \$175,000 grant and ten percent of that will go toward administration of the grant. He said they will still be looking at \$160,000 to help people acquire properties next to them. He said that does not mean that they are going to receive the property at no cost, but it will be a lot less. He said typically the fees and charges for taking ownership of vacant property run around \$2,000 - \$2,500. He said with this grant, the cost should be

somewhere in the ballpark range of \$500 to \$1,000 on the high end. He said it will be a big help to get a lot of these vacant properties back on the tax rolls. He said he has names for a committee that he is putting forth. He said the committee itself, according to the Ordinance, only has two citizens who are appointed by Council based on his recommendation and the other people on the committee are two Councilmen. He said those two Councilmen are Keith Soles and Darryl Segina. He said the two citizens are Stu Wilson, who was already on the committee, and Bob Baum. He said Jim Haughey is the Director of McKeesport Housing Corporation but is also serving as the Executive Director of the Redevelopment Authority. He said the Redevelopment Authority Executive Director needs to be on the committee, as does the Community Development Director, Bethany Bauer. He said the committee also requires a Code Enforcement Officer and that person will be Ron Brooks. He said the Chairman of the Planning Commission must also be on the Committee and that person is Mary Ann Popovich. He said other than the two Council people who were determined by the Council ... and a lot of their meetings are during the day so he doesn't know how they chose the Council people. He said Mr. Segina informed him that the meeting times may come into play. He said the two residents will require a motion for appointment to the committee. He said he would like a motion now to appoint this committee and to help execute a lot of the vacant property. He said they have had people on these lists for years. He said they are very excited and the phone has been ringing down at City Hall. He said this will not only help the residents but a lot of these lots have been maintained by the neighbors and for that he would like to say thank you. He said it is amazing the number of people who have maintained vacant property next to them and now they are actually going to have a chance to take ownership. He said that not only benefits them but also the City of McKeesport because the property is back on the tax rolls. He said he would like to have a motion for this now.

- Mr. Segina said he would like to interject. He said the Vacant Property Commission they have ... he thinks it is a good slate of people on there. He said it is a very important Commission too even though they only meet about three times a year in disbursing these lots to citizens who want to purchase them. He said he chose Keith Soles because of his real estate background and because he can attend the meetings too. He said he is reappointing himself because he has been there. He said he thinks Bob Baum being a real estate agent is a good choice on the Mayor's part too.
- Mayor Cherepko said he apologizes, Mr. Segina, but yes Mr. Segina was on the board previously. He said Stu Wilson and Bob Baum are the residents being appointed.
- Mr. Segina said is Stu going to be reappointed so they have four.
- Mayor Cherepko said yes, everyone had expired terms. He said the entire board was totally out of whack. He said he is asking to put all of these seven names in and ... are there seven or eight names ... eight names.
- Mr. Segina said we should make a motion to appoint the seven [eight] people to the new committee unless the Mayor wants to do it individually or if someone is adverse to anyone on here. He said if not, then they should make a motion to approve the eight members.
- Mayor Cherepko said he apologizes, that was his fault because he said seven.

MOTION: Mr. Carr moved, seconded by Mr. McCall, "To appoint the following eight members to the Vacant Property Review Committee: Darryl Segina, Keith Soles, Stu Wilson, Bob Baum, Jim Haughey, Bethany Bauer, Ron Brooks, and Mary Ann Popovich."

COMMENTS:

- Ms. Walker-Montgomery said she has a question. She said a while back they said that before they would do this, Council would have five days and they would be able to get resumes on some of these people they are putting on these committees or boards. She said that has not happened since they actually said that it would happen.
- Mr. Segina said Ms. Walker-Montgomery is correct. He said what happened is the Mayor called him this afternoon and told him the urgency of appointing this Board because of the grant money that is coming in. He said otherwise, he reiterated to this day that there is a five-day lead on the presentment.
- Mayor Cherepko said if he may speak. He said he just wants to respond to the comment that Ms. Walker-Montgomery made. He said that would be a false comment. He said last month, Council had all of his appointments five days ahead of time. He said they had them the previous week.
- Ms. Walker-Montgomery said she did not have them.
- Mayor Cherepko said then she did not get her mail. He said they were all put in the mail.
- Ms. Walker-Montgomery said she did not have them five days ahead of time.
- Mayor Cherepko said he sent them out and put them in their mailboxes the week before the meeting last month. He said the month before that, he did ask them to appoint people at the last minute. He said last month everything was put in their mail ahead of time. He said just so she is aware, on this Board ... as they said
- Ms. Walker-Montgomery said does he mean the Rec Board that they did last month.

- Mayor Cherepko said there was the Rec Board but they also did multiple boards last month.
- Ms. Walker-Montgomery said yes, but she doesn't think she had all of them. She said she had the Rec Board because she was on that Board.
- Mayor Cherepko said they submitted them and he is sure that Patty has it on record also. He said he just wanted to clarify that it was definitely put in their mail the week before the meeting last month. He said with that being said, please know that the only two citizens other than the Council people that they are voting on are Stu Wilson and Bob Baum.
- Ms. Walker-Montgomery said she is quite aware of what she is voting on. She said her point is that they put something in place and they should be following it consistently. She said so ... they did put it in place and said they would have five days and she thinks they need to follow that consistently. She said since they have all these committees and boards, and there are a lot of them, and a lot of terms have expired, she thinks they should use the same format as the Rec Board used that Councilman Carr developed where he had applications and citizens were able to apply to be on it. She said then the process can be more transparent and open.
- Mayor Cherepko said he knows
- Mr. Segina said he knows Mr. Elash gave them legal opinion on the appointments to the boards and asked if he could reiterate that opinion for the benefit of all Council and the members of the audience.
- Mr. Elash said yes, it is part of the Rules and Procedures of City Council and it sets forth that the Mayor should give those to the Council, he believes it is five days in advance, and that they will have the opportunity to interview them if they so choose to have them come in. He said, however, it is Council's rule so it is Council's ... Council has the authority to

waive the rule in any specific circumstance. He said he thinks the only reason that they are being asked to vote on these tonight is because they have the grant funds and wanted to get the properties turned over as quickly as possible otherwise the whole process of getting those properties back on the tax rolls will take another thirty days.

- Mr. Segina said Mr. Elash, there is always a reason why they do certain things but they do have that legal opinion from the Procedures of Council and he relayed that to Mr. Cherepko this afternoon so they will adhere that, take note of that please. He said if he does put someone up that they don't know, they do have time to go back and interview them.
- Mayor Cherepko said that is his plan ... like he did last month. He said his plan is to give the notice to Mr. Segina and actually every Committee is also different. He said like they said ... they have three or four here that are already on the committee. He said there is only one Council actually has to vote on ... one of these is a Mayor's appointment that does not need approval of Council either. He said Council is really voting on the two Councilmen and one of those citizens. He said that is how this Ordinance is written for this particular committee.
- Mr. Tedesco said the one thing he would like is if the Mayor could distribute a roster sheet of all of these Boards and Authorities. He said there are so many people out of whack maybe he could give them a list or roster sheet with their expiration dates so they can have that.
- Mayor Cherepko said that is no problem because it is on record in the City Clerk's Office.
- Mr. Tedesco said he knows. He said he asked Patty for that a couple of years ago but they have had some changes.
- Mayor Cherepko said what he plans on doing is every month giving them names and trying to get at least one or two

Boards every month in line. He said that is what his plan is. He said as Ms. Walker-Montgomery suggested going through the whole process of applications and that, he is not going to do that for all the boards. He said that is one of the rights according to the Charter that the Mayor has, which is recommending candidates to boards. He said there are certain boards that he will work with them on.

- Mr. Tedesco said one thing he would like to see is some fresh faces and names. He said he actually applauds him for the Ryan Sturgess appointment. He said he doesn't believe Ryan ever served on any other board, authority, or commission. He said at least it was a fresh name and that is what he likes to see.
- Mayor Cherepko said he agrees with him wholeheartedly and thinks it is a good mix. He said he thinks they need the experience but when they get fresh faces on there too it is also a good thing.
- Mr. Segina said they did have a roster and he probably has it in his briefcase. He said they are not up to date at all and in fact some of the ... there is one where everyone on the authority has passed away and it is now defunct. He said they will work on getting something up to date on that once they roll along with this. He said can they have roll call please.

RC-3 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
TEDESCO..... 6

 NAYS: WALKER-MONTGOMERY 1

- Mayor Cherepko said if someone was going to vote "no," then they probably should have done it individually. He said some of these people, she has no right to vote on.
- Mr. Segina said no one questioned that when they talked about it.

- Mayor Cherepko said that is not what he is saying. He said he just wants to make sure the vote was okay. He said if they were going to vote no, then they probably should have done it individually because there are four people on that committee that she cannot vote "no" on.
- Mr. Segina said Fawn questioned the legality of having the vote tonight and that question was answered, but she did not object to the eight being presented.
- Mayor Cherepko said he just wanted to make sure the record was correct.
- Mr. Segina said he understands. He said she voted against whomever ... he doesn't know, but that does not matter. He said that was clear before they started, right Mr. Elash? He said is the Mayor done.
- Mayor Cherepko said yes, he is sorry, that concludes his report. He said if anyone has any questions, he will try to answer them at this time or later.

COUNCIL REPORTS:

- Mr. Tedesco said he would like to send his condolences to President Segina.
 - Mr. Segina said thank you very much.
 - Mr. Tedesco said he was looking through the Police Report here and would like to congratulate Lieutenant Tim Bliss for his acceptance to the FBI Academy. He said it is a feather in the Chief's hat and in McKeesport's hat for him to get this opportunity to go there. He said it is a good opportunity for him. He said lastly, the first Home Rule Charter Commission meeting will be next Wednesday. He said it is open to the public, although it is not a public hearing, it is open to the public.

- Ms. Walker-Montgomery said she also wanted to give her condolences to Mr. Segina as well.
 - Mr. Segina said thank you very much.
 - Ms. Walker-Montgomery said, in addition, they got something in their packets about National Police Week. She said she just wanted to ... and she has said it various times ... thank the officers again for what they do daily putting their lives on the line. She said she wanted to bring up something that they brought up last night in their Caucus meeting. She said they had Action Housing here and they are doing some construction in the City and one of the things they pointed out was that they are going to work with local organizations to hire McKeesport residents. She said she thought that was so vitally important because she knows she has been talking with the School Board about hiring McKeesport residents with the building of a new school. She said she would be remiss if she did not bring that up here with Council as well. She said she just wanted to challenge Council as well as the Administration that when they are bringing people into the City to build things and giving them construction contracts, that they really need to make sure that they are getting some community benefits with jobs. She said she really needs to make sure that they are hiring some McKeesport residents to do these jobs.
 - Mayor Cherepko said he could not agree more. He said as a matter of fact when he was sitting up there on Council with her, he took a very active stance along with Representative Marc Gergely when the School District bid the contracts in the beginning. He said he encouraged them to use union contractors and things of that nature. He said he is definitely on board with her on that and agrees with her wholeheartedly.
 - Ms. Walker-Montgomery said she has two more things. She said she thinks they need to start doing budget

meetings early, like in September, and then when they get into the budget meeting they could break up into little committees just so they can spend a lot more time with the thought process on the budget. She said they would be able to give a lot of feedback to the Administration as well. She said if they could start those meetings early and then when they get into the meetings, they could break up into little committees and brainstorm what they are going to do about the budget. She said if they could start those meetings ... it is just an idea that they could start the meetings a little early. She said last month they passed a Resolution in support of the lost and stolen handguns. She said she didn't know if they wanted to send that out ... Patty was asking if they wanted to send that to Harrisburg. She said she told Patty to wait until she discussed it with them whether they wanted to send it to Harrisburg.

- Mr. Segina said this is a public meeting, the Resolution was done in public, so they can send it off to Harrisburg. He said he doesn't have a problem with that unless someone else has an objection. He said with regard to her first point, he doesn't know if they will be starting the budget process in September.
- Mayor Cherepko said he was not going to comment, but they cannot start the budget process until Matt and he present a budget to Council, at least a rough draft budget. He said he thinks that is typically when they start it. He said by law he has to have a budget to Council by November 15 but of course they ... he agrees they want to try to get it earlier but he is not going to say the beginning of October. He said they are trying to get a very good grasp on the budget and the one thing that they are really looking forward to doing is putting together a budget that is their budget for one and making the numbers as realistic as possible. He said of course the goal would be to get it out a little bit early but

he doubts that it will be out at the beginning of October. He said their goal would be to have it done somewhere by the end of October.

- Mr. Segina said the Administration has until November 15 to present the budget and they don't have to include Council in on it until that time by making it public. He said it would be up to the Administration whether they want Council in on the Budget prior to that. He said it might not be a bad idea, but if they find that suits them well, they can do that.
- Mayor Cherepko said he agrees.
- Ms. Walker-Montgomery said that is all she has.
- Mr. Dellapenna said he has nothing to report.
- Mr. Soles said he has nothing to report.
- Mr. Carr said he has nothing to report.
- Mr. McCall said he just has one question. He said in the packet again they got another letter from the Controller regarding his Right to Know. He said he is under the impression that Ray is permitted to look at the stuff that he is asking for.
- Mr. Malinchak said yes.
- Mr. McCall said then why is he constantly asking for it.
- Mr. Malinchak said because they won't give it to him.
- Mr. McCall said they are letting him look at the information, correct?
- Mr. Malinchak said they are not giving it to him with the initial request.

- Mayor Cherepko said if he may interrupt. He said these last requests were not made by Mr. Malinchak to them personally. He said they got the Right-to-Know request and he chose to go through the formal process, therefore they are going to follow the formal process and get it back to him in the time they need to get it back to him. He said the first Right-to-Know request that he filed ... he thinks it is important to note that they gave him the information even though his appeal to the State was denied by the State, they still gave him the information. He said the problem he is having is that he was very open to even the first Right to Know request that he filed and he welcomed him down there. He said he told Mr. Malinchak to come down and he would show him everything. He said Mr. Malinchak wanted copies and this and that. He said he has a concern. He said he has a concern that so much of the City's stuff is leaving the City and sitting in Mr. Malinchak's possession either at his home or wherever else. He said he is concerned with that. He said for whatever reason, he cannot get an explanation from Mr. Malinchak when he asks why he might need this information. He said that is a whole other issue and he is not here to be negative. He said he is just addressing Mr. McCall's question. He said that is why it has been handled the way it has been.
- Mr. McCall said the other part of his question was going to be whether a lot of this stuff ... does Mr. Malinchak have a place to lock these copies of stuff up that he is asking for. He said some of the stuff they have seen come through, he doesn't think this information should leave City Hall. He said if Mr. Malinchak is taking it home, he doesn't think it should be at home. He said he really doesn't.
- Mr. Malinchak said he thinks that is an excellent question. He said the answer to the question is yes he has a place at home to lock it up. He said he also

- Mr. McCall said he is talking about City Hall and saying it should not leave City Hall.
- Mr. Malinchak said he doesn't have an office at City Hall. He said his office is the lunchroom or the table outside of Patty's office. He said he thinks Patty will attest to that because she sees where he signs the checks.
- Mayor Cherepko said he thinks that part is true but his question is what does Mr. Malinchak need these things for. He said it is mind-boggling to him. He said that is another whole issue and he cannot speak on what has been done in the past. He said he is just trying to fix the concerns that he has now that he is in the position he is in. He said there is a lot of information that he just doesn't think should be leaving City Hall. He said he personally doesn't take anything home. He said nor does he even have anything ... if he didn't have an office ... to think why it would have to be at home with him. He said to each his own.
- Mr. Malinchak said if Mr. McCall would be kind enough to put a motion on the floor that he would get an office and also have access to a safe, he would keep it there. He said he would appreciate it if he would make that motion.
- Mr. McCall said he thinks they could give him a filing cabinet.
- Mayor Cherepko said that is true and there is no question.
- Mr. Malinchak said with a lock per Mr. McCall's request.
- Mr. McCall said he just thinks that ... the stuff that he looks at that Mr. Malinchak is asking for ... there are account numbers and all of that other stuff that is coming through. He said he doesn't think that should be leaving City Hall, that should stay there. He said he is

not saying that Ray shouldn't have it because he thinks he has the right to look at it. He said if Ray is asking for it and they are giving it to him and the last one they are saying he didn't even ask for it. He said he doesn't believe that this stuff should leave City Hall. He said he really doesn't.

- Mr. Segina said he would like to interject here if Mr. McCall doesn't mind. He said he noticed some problems with this but he thinks as he sees it, things have smoothed out now between both Mr. Malinchak and the Mayor and City Administrator. He said he doesn't know if the problem is moot right now entirely but at least they are getting to the point now where there is some cooperation by the parties. He said he was in on this at the beginning of January.
- Mayor Cherepko said to elaborate on that, he has no problem showing Mr. Malinchak anything he wants to see. He said he just has a problem with copies being made and then taking them for whatever reason. He said that is his issue. He said he will show Mr. Malinchak whatever he needs to see.
- Mr. McCall said Mayor, can they get Mr. Malinchak a filing cabinet with a lock so he doesn't have to remove the information.
- Mayor Cherepko said absolutely, they most certainly can do that.
- Mr. Malinchak said and if either of them would designate whether he works out in Patty's area or the lunch room, he will take either of the two.
- Mayor Cherepko said to be quite honest with Mr. Malinchak, he is a part-time employee and he doesn't see any Councilman up here that has an office in City Hall. He said doesn't think that there is really a need for

an office down at City Hall. He said that is another issue and Mr. Malinchak may feel differently but there are seven people up here that are here to govern the City and he knows when he was on Council for eight years, he didn't have an office nor does anyone up here have an office at this time. He said that is his stance on that. He said they don't have any room at City Hall anyway.

- Mr. Malinchak said for the first five years, he did have an office.
- Mayor Cherepko said that may be true, but like he said, that was before he took office.
- Mr. Segina said gentlemen, they are smoothing themselves out here, aren't they. He said he would suggest that while Mr. Malinchak may not have an office, if they designate an area, one of the areas could be perhaps that big conference room. He said he doesn't know how often it is used back where the Redevelopment used to be.
- Mayor Cherepko said that is a perfect place.
- Mr. Segina said is that okay with Mr. Malinchak. He said see how easy it is. He said Mr. McCall still has the floor.
- Mr. McCall said Darryl can have it now, he is done.
- Mr. Segina said in the interest of brevity, he cedes his time.

CITIZENS IN THE AUDIENCE:

- Mr. Segina said first they have Louis and Marva Wilson here to talk about the property at 706 Union Street. He said would they please tell him where they live.

LOUIS AND MARVA WILSON, 707 UNION STREET, McKEESPORT, PA.

Mr. Wilson said he is directly in front of the

property in question, 706 Union Street. He said he and his wife live at 707 Union Street and this property at 706 Union Street had a fire. He said the fire was put out about two years ago and the building has been left dormant. He said this building is an eyesore and has been left vacant for a period of five years. He said there is free and unobstructed access to the building at all times. He said he personally has seen people going in and out of the building. He said this building is being used for a rubbish dump and he has witnessed this personally when people throw trash on the property. He said on each floor of the three-story building the windows are broken out. He said finally the property is overgrown with weeds. He said his wife has come on another occasion to ask if that would be addressed and he appreciates the City crew that came out and addressed the weeds on those two different occasions. He said however, he would like to see something done about this property.

- Mr. Segina said did Mr. Wilson say there was a fire in that house at one time.
- Mr. Wilson said two years ago, within a two-year time frame, there was a fire in this property.
- Mr. Segina said is most of the building standing or is some of it down.
- Mr. Wilson said the main structure of the building is standing. He said it is in a severe state of decline.
- Mr. Segina said can the Mayor have someone go out there and look at that and invoke
- Mayor Cherepko said he was actually trying to visualize where that is and he cannot think of what block that is. He said he does know that the Community Development Director is sitting here with the master demolition list that they have. He said obviously they can't get every house on the list but they are now at least compiling a list of homes that need to be torn down. He said it is on the list. He said what block is that.

- Mr. Segina said it is probably below Shaw Avenue between Shaw and Sixth.
- Mr. Wilson said it is above Shaw Avenue.
- Mayor Cherepko said is that up there on the opposite side of the church.
- Mr. Wilson said yes on the opposite side.
- Mayor Cherepko said he is trying to think where it is. He said he rides around constantly and he is trying to think where it is. He said there is one on the right side of the church and he knows where it is.
- Mr. Segina said thank you for bringing this to their attention. He said the Mayor said he will address that problem for Mr. Wilson.
- Mr. Wilson said he appreciates that and thank you so much for hearing that.
- Mayor Cherepko said they will address it but just so he is aware, they will look at it regarding the weeds and see if there is someone they can cite, and because it is on the demolition list they can board it up so no one has access. He said they will do that also.
- Mr. Wilson said thank you, he appreciates that.
- Mrs. Wilson said thank you so much.
- Mr. Segina said that is a good reason to see who the owner is on that too.
- Mr. Tedesco said yes, absolutely.

Mr. Segina said Mr. Malinchak is speaking as a private citizen and the topic is "open item."

RAY MALINCHAK, BECKMAN DRIVE, McKEESPORT, PA. Mr. Malinchak said thank you very much Mr. Segina. He said one of the things he would like to cover is that most of them know that the 2010 Audit has not been finalized and even though there have been copies out of the entire report, there is a section in the report where there is a separate letter that is independent and separate from the report and usually written to the Administration that lists a lot of findings. He said obviously the Administration is then given an early opportunity to resolve those issues before that particular letter is finalized. He said he has had a lot of conversations with the City Auditor over the last couple of months and there are three items there that have been carried over from 2010 that are bothersome to say the least. He said these items deal with the disposition of City property, mainly property that is scrapped and taken out of service. He said the other item deals with the

- Mayor Cherepko said if he may interject. He said at these meetings, the correct and proper procedure at City Council meetings when citizens speak is to be regarding items that are on the Agenda. He said if Mr. Segina chooses to go the other way, that is fine, because he is the Council President. He said he is just mentioning that to him.
- Mr. Segina said Mr. Malinchak did register as a private citizen.
- Mayor Cherepko said not even as a private citizen.
- Mr. Segina said he has it here.
- Mayor Cherepko said just so Mr. Segina is aware. He said he just wants to make that ... let it be known on the record that anytime a citizen from the audience speaks, it is supposed to be about something on the Agenda.
- Mr. Segina said it is so recorded. He said he believes they have done this before so he is not going to restrict Mr. Malinchak.

- Mayor Cherepko said he understands and respects that.
- Mr. Segina said he is talking about freedom of speech now too. He said Mr. Malinchak may continue.
- Mr. Malinchak said there are three issues in the audits. He said number one deals with the property disposition such as scrap materials and so forth. He said the other one addresses the administration of their tires and the third one deals with the fact that one of their delinquent tax collectors has been charging the City for commissions when it should have been passed on to the actual delinquent taxpayer. He said these items are all written up and some of these areas here, have been brought to his attention by City Auditor repeatedly. He said it is his understanding that the City owes them a response on some of these matters and he is not sure whether that response has been forthcoming or not. He said for example as Mr. Segina knows and has brought this up at previous meetings, they are purchasing tires from an unauthorized vendor. He said it is his understanding, according to the audit findings and he must let everyone know that Mr. Tomasic is very clear that those are preliminary findings, and that in these preliminary findings there is another authorized supplier in the local area. He said the City continues to go to that unauthorized supplier. He said as a result, he thinks they have a real issue here and he thinks this has been brought up repeatedly for the last several meetings. He said the second item deals with the property disposition. He said they have 21 ... and he has reported this before many, many, many months ago ... 21 transactions that they can't trace. He said there are 10 vehicles that were taken off of their insurance list and they can't find out where they ended up. He said there is no evidence that the value that they got for these scrap vehicles ever made it to the Treasurer's Department. He said, in addition, there were 11 other transactions dealing with other scrap material and again, those monies never made it to the Treasurer's Department. He said this was written up again by Mr.

Tomasic, an open item. He said how the Administration is going to resolve that is a mystery to him.

- Mayor Cherepko said if he may comment. He said he doesn't want to get lost here with all of the lists of things they have talked about over the last 18 months. He said that obviously they keep coming up. He said as far as the tires go, he wants them to know that he has been in numerous conversations with Mr. Tomasic and they are in the process of finding out exactly which way they need to go to get these out for bid. He said he just met with him for 35-45 minutes outside the City Clerk's office the other day. He said, as a matter of fact, Patty was in the office when he met with Mr. Tomasic when they had this conversation. He said they are on top of that. He said as he said last meeting, his concern is that the tire prices are going to go up and the City is going to pay more for tires but that is okay, that is what they are going to do. He said the second thing, 21 transactions of scrap. He said he wants to make it very clear that this was an investigation that was done on behalf of Mr. Malinchak and it has been turned over to the D.A.'s office. He said Mr. Malinchak knows this and has been told this numerous times. He said what is the problem. He said if they are going to start looking at this then they should start looking back. He said they should take a look at where the investigation is when the Controller tries to purchase the Palkovitz property that the City was looking to purchase so they can generate a new source of revenue. He said that is an investigation that should be going on. He said he doesn't understand why the City Controller is not investigating that one. He said that is an Ethics violation, insider trading and absolutely
- Mr. Segina said Mr. Cherepko, excuse me.
- Mayor Cherepko said it is mind-boggling.
- Mr. Segina said they are getting off track here and the Mayor is making accusations

- Mayor Cherepko said no, they are not accusations, they are facts. He said he has the application.
- Mr. Segina said the Mayor can make all the facts he wants or whatever, but that is not answering the question they have here. He said he would like to stay with that. He said to Chief Washowich that he understands this matter was turned over to the District Attorney for followup. He said have there been any results from the D.A. or updates that the Chief could give them.
- Chief Washowich said no sir, he has not.
- Mr. Segina said would the Chief mind calling the District Attorney and finding out what the state of that particular investigation is.
- Chief Washowich said sure.
- Mayor Cherepko said they could
- Mr. Segina said would the Mayor mind meeting with Mr. Tomasic to go over these entire two problems that Mr. Malinchak presented here.
- Mr. Malinchak said there are actually three problems.
- Mayor Cherepko said the tire problem on their end has been addressed. He said they are now keeping track of all tires, what vehicles they go on, and the maintenance of the vehicles. He said they are waiting for the software to come in so they can put everything on the computer. He said if a car is taken in for an oil change ... they will have maintenance records on the vehicle fleet. He said as far as the scrap, that is in Mr. Zappala's hands. He said to be quite honest, he is not going to call Mr. Zappala nor should the Chief call Mr. Zappala. He said he is not going to tell that man how to do his job.

- Mr. Segina said he doesn't think they are trying to tell him, they are just asking for an update on it or if there are any results coming from Mr. Cherepko. He said he would be curious as to what was the disposition of these articles anyway. He said he is not trying to side with anyone. He said it is just his own idea about it.
- Mayor Cherepko said what he is saying is that things are turned over to the D.A. all the time and if they don't hear anything, that is great ... it is fantastic. He said the last thing he is going to do is call him and ask him ... where is it and that he should have an update by now. He said he just doesn't think it is a good idea.
- Mr. Segina said he thinks before it was even turned over to the D.A., he thought there might be some curiosity on the Administration's part just to find out why this occurred. He said it could be something innocent.
- Mayor Cherepko said they fixed that.
- Mr. Segina said it could be something devious, he doesn't know.
- Mr. Elash said if he can interject, they have met with Mr. Tomasic and he has worked on all three of these issues on behalf of the Administration. He said he can tell them that the issues with the scrap ... the political issue that went on during the campaign, he was not here and does not have any comment on that but he can tell them that the procedures as to how the scrap money was collected are the same procedures that have gone all the way back to when he was the Public Works Director. He said they have changed those procedures and made it so that there is now a paper trail of those monies. He said those monies are not kept for purposes within the Public Works Department and it all now comes to the City and there is a firm record. He said that was the only issue that was raised with the scrap investigation and that was the transferring of cash between

one person and the City Administrator and they differed on how that cash was transferred between them. He said those issues have been sewn up. He said the tire issue as the Mayor noted, the vendors of the CoStar List, their prices have been reviewed with the prices of the vendor they utilize and every single tire that has been purchased in the City of McKeesport for the last three years from the documents he looked at was priced below CoStar's bid list. He said the City has never paid more than the CoStar's price for any tire. He said with that said, he doesn't believe there is any criminal investigation when they have a situation like that. He said as to whether they are adhering to the law, the Administration and the engineer are currently trying to figure out how to bid that out. He said when they bid out something like tires, they have 50 different sizes that the City purchases. He said it becomes a very onerous bidding process. He said they don't have an estimate of exactly how many they are buying and most vendors would give them a discount based on volume. He said those issues are all being addressed and they are working very closely with the Auditor to get those addressed.

- Mr. Segina said he thinks they are trying to make their own rules on tire purchases and that is not the way it goes. He said they have CoStars right now and they could buy everything through the piggyback purchase program from the State of Pennsylvania. He said that is statewide. He said they asked the City to participate. He said if a City like this does not participate, then why should they even go out to bid anymore. He said they have made it State law. He said it is not his law or the Mayor's law.
- Mr. Elash said it is not a law to participate under the CoStars.
- Mr. Segina said no, it is not, but if they don't bid it out, then they have to participate with them.
- Mr. Elash said he understands that, but they
- Mr. Segina said now bidding ... let him say one thing.

- Mayor Cherepko said wait, he will take this one, let him go.
- Mr. Segina said what does he mean, let it go.
- Mayor Cherepko said no, I said let him go and let him talk and now he is going to come in because he doesn't want anyone to get mad at anyone. He said here is the argument very simply put
- Mr. Segina said let me finish.... He said the thing is that they do have a tire companies in the City of McKeesport and they keep talking about keeping business in this town so why are they going to Greensburg to get their tires.
- Mayor Cherepko said because they are cheaper.
- Mr. Segina said he doesn't understand it. He said they are saying that, but he doesn't know that. He said they have not gone out to bid on them so how do they know. He said until that evidence is brought in front of him, just like he did everything else ... they were \$20,000 over budget one year. He said he wants to say this in public, but this goes deeper than what they are even talking about and he knows that.
- Mayor Cherepko said excuse me. He said he can assure Mr. Segina and will tell him right now that he has a personal friend that owns Pennzoil. He said the owner is a personal friend of his and he would love to throw him the business.
- Mr. Segina said he doesn't want to hear it because it is State law.
- Mayor Cherepko said listen, the part that he is missing on State law is this. He said the part he is missing is the \$18,000 or more. He said they never purchase \$18,000 or more in tires. He said never. He said that is where the gray area is and it is not as black and white as what Mr. Segina is making it sound. He said the problem is that they never pay \$18,000 for tires. He said Mr. Malinchak signs those checks

all the time. He said Mr. Malinchak will tell them, those checks are never \$18,000.

- Mr. Segina said no, but they are over \$10,000 in combined purchases.
- Mayor Cherepko said he understands that. He said if that is the case the why don't they go out to bid for office supplies.
- Mr. Segina said he is going to make a recommendation to Mr. Malinchak. He said he is going to recommend that Mr. Malinchak does not sign the check to Rhome Tire and then send him a letter saying no more purchases will be authorized and paid for by check until this goes out to bid. He said he is making that recommendation since the Administration does not want to cooperate on this with State law.
- Mayor Cherepko said wait a minute Mr. Segina. He said Mr. Segina, he just went on record and said they are working on this. He said he is doing it
- Mr. Segina said fine, when they do it let Council know.
- Mayor Cherepko said what he is making very clear is that when the prices end up higher, then Mr. Segina is wearing it around his neck, not him. He said that is all he is saying. He said he is trying to save the City money and they are worried about spending more money.
- Mr. Segina said that is fine.
- Mayor Cherepko said okay, they just
- Mr. Segina said but if they go out to bid, they are doing the right thing.
- Mayor Cherepko said Mr. Segina just made a comment that the City is not going out to do this after they sat for five minutes and discussed how they are right now working this out between the City's engineer who has to put the bids out and Mr. Tomasic. He said Patty Williams sat in there and

heard the meeting. He said then Mr. Segina goes out and says since the Administration is not doing something. He said that is not the case whatsoever and has nothing to do with this.

- Mr. Segina said Mr. Mayor, when did they start talking about this ... back in January. He said now they are in May.
- Mayor Cherepko said they have talked about many things for five months.
- Mr. Segina said and still nothing has been done.
- Mayor Cherepko said he can say the same thing to him on the other end.
- Mr. Elash said the bid is being put together by the Engineer and he can tell them that they went back and they can find no records where the City of McKeesport has ever gone out to bid for tires.
- Mr. Segina said he is absolutely right because they used the piggyback purchase under the contract with the State of Pennsylvania and that is why.
- Mr. Elash said he understands what Mr. Segina is saying and the City saved for 9 years. He said to give an example, one tire that was brought up last year toward the end of the year last year ... they received documents from Mr. Rhome, from the CoStars and they went out ... when they were contemplating going out to bid and questioned and submitted proposals for that tire. He said it was a backhoe tire and the difference in price to have that tire put on between Mr. Rhome and the piggyback was in excess of \$4,000. He said they would have paid \$4,000 more to put that tire on the backhoe. He said with the budget problem, he thinks the Administration was just trying to find a way to do this without costing the City more, from what they have looked at from the documents. He said if they would have gone with CoStars instead of the current vendor last year He said when Mr.

Segina said they were \$20,000 over budget, the difference in those tire prices would have been in excess of \$25,000. He said they are just trying to find a way legally to save the City that same kind of money. He said they have talked to the engineer and he has come up with some very creative scenarios to do that where they may be able to do something below the CoStar pricing and base it on that. He said it has not come to fruition yet because they have not come up with a way they can still enjoy the savings.

- Mr. Segina said that is fine and dandy but that is why they have an auditor that goes over their books.
- Mr. Elash said he has been with them on this.
- Mayor Cherepko said and he still has not given them the findings.
- Mr. Segina said then they need to get the bid out.
- Mr. Elash said he is not even sure they are in violation.
- Mr. Segina said so they can compare the prices up here as a Council. He said they represent the citizens and if they are saving that kind of money, he can go and tell these people right out here right now that they saved a lot of money by bidding it out.
- Mr. Elash said he can give them those documents tomorrow.
- Mr. Segina said is that fair and is that right to say.
- Mr. Elash said they have been given to Mr. Malinchak.
- Mr. Segina said then why are they doing this.
- Mayor Cherepko said listen, listen ... here is the problem. He said they will put them out for bid. He said if that is what they want to do then that is what they are doing. He said here is what they don't understand.

- Mr. Segina said it is not what he wants to do, it is the State law, and Mike knows it.
- Mayor Cherepko said here is what they don't understand. He said
- Mr. Segina said oh, I don't understand?
- Mayor Cherepko said obviously not and let him explain. He said tire prices fluctuate dramatically. He said they are going to get a bid for a whole year of tire prices. He said what happens is if the tire prices are here and they are lower right now, instead of the City getting these tires for slightly above that, their bidders when they bid will have to bid much higher because they have to allow room for the price to go up so they are not losing money. He said what happens is that they have to bid up here and they are making all this money on these tires while the price is set low.
- Mr. Segina said if that is the case then why does every other community go through CoStars program in the State.
- Mayor Cherepko said every other community? He said he finds that hard to believe.
- Mr. Segina said except us.
- Mayor Cherepko said he finds it hard to believe that every other community is doing it. He said he will tell them why they are not. He said he will show them that their prices are cheaper than CoStar. He said they are going to put them out to bid.
- Mr. Segina said up to this point he has not.
- Mayor Cherepko said he will be glad to show them.
- Mr. Segina said fine, when they go to bid
- Mayor Cherepko said his friend's at Pennzoil

- Mr. Segina said that is the proof in the pudding
- Mayor Cherepko said his friend is the cheapest around. He said he beats everyone in McKeesport and is lower than them all. He said he has taken tires down that they purchased through the City and said what can he get these for and he told him that he can't touch that price.
- Mr. Segina said he doesn't like the idea of going out of town too.
- Mayor Cherepko said he agrees with that and he agrees wholeheartedly with him.
- Mr. Segina said they have people in this town and he doesn't know what the difference in price would be but even with the distance involved in going out to Greensburg
- Mayor Cherepko said they deliver the tires so the distance does not effect that.
- Mr. Segina said how did they find Rhome in Greensburg.
- Mayor Cherepko said don't go there, he doesn't know the guy at all, period. He said he wouldn't know him to see him walk in this room. He said that is the God's truth.
- Mr. Segina said he is just saying, how did they get their tires
- Mayor Cherepko said Mr. Segina is trying to make everything political. He said he knows where he is going with this and fine
- Mr. Segina said he didn't say anything political about it.
- Mayor Cherepko said aw, come on Darryl.
- Mr. Segina said how did they get out there to Rhome in Greensburg. He said that is all he asked him.

- Mayor Cherepko said he needs to ask the Senator. He said does he want him to get him on the phone. He said maybe he can ask him because it obviously came in under his watch.
- Mr. Segina said has Mr. Malinchak finished.
- Mr. Malinchak said no, thank you for giving him back the floor. He said Mr. Elash made a comment about a large size tire for a backhoe or tractor and about a \$4,000 differential. He said Mr. Elash also made a statement that a collection of tires was about \$20,000.00.
- Mr. Elash said it is in excess, but he doesn't remember the exact number.
- Mr. Malinchak said he thinks it would behoove Mr. Elash to quantify that for the members of Council. He said if he is making statements then he should be able to quantify them and show one and then that this one is \$20,000 more.
- Mayor Cherepko said they put bids out for tractor tires and that is a fact.
- Mr. Segina said they are not going to get into a debate about this.
- Mayor Cherepko said it was more than \$4,000.00.
- Mr. Malinchak said then they should be able to quantify it with ease.
- Mr. Segina said the question was about the audit and that is what they are going to stick with. He said now they are done with that subject. He said does Mr. Malinchak have something else to talk about.
- Mr. Malinchak said there is one other matter with the tires and he brought this up in conversations with the Mayor. He said he is still getting reports back alleging that there are transactions taking place where City employees are buying tires. He said he just heard it again. He said he would like to

know whether sales tax is being paid on those tires, does the person who is selling those tires have a tax ID number, does he do it on City time He said how is this going on.

- Mayor Cherepko said he would like to ask Mr. Malinchak something. He said Mr. Malinchak comes here based on something he heard. He said should he sit here and talk about the two dozen things that he has heard about Mr. Malinchak.
- Mr. Malinchak said yes, talk about them. He said the Mayor already started, so he would like to hear the other 23 items.
- Mr. Segina said that is enough. He said he is cutting off the conversation.
- Mayor Cherepko said this is ridiculous. He said Mr. Malinchak hears a rumor on the street and comes here with a concern.
- Mr. Malinchak said no, he spoke to the person who bought tires.
- Mr. Segina said Mr. Malinchak please take your seat.
- Mayor Cherepko said this is ridiculous.
- Mr. Malinchak said he has one more item if they want him to cover this.
- Mr. Segina said he understands that he does, but they are inflaming the audience with Mr. Cherepko, himself and Mr. Elash. He said he has to include himself in this too. He said he thinks they get the drift of the audit itself. He said the Mayor should talk to Mr. Tomasic over these items.
- Mayor Cherepko said he promises him that he is on top of that.
- Mr. Segina said then he can rectify the situation with the tires themselves.

- Mayor Cherepko said absolutely. He said he told him that they are in the process of that.
- Mr. Segina said that is all they are asking for.
- Mr. McCall said he has a question. He said can he ask it and interject at this point. He said when they do their tires, what Mr. Segina wants them to do is if they need a tire on a police car, then they have to go out and bid it.
- Mr. Segina said no.
- Mr. McCall said then where are they going to get the tire.
- Mr. Segina said from whoever is the winning bidder.
- Mr. McCall said first of all, they are going to have tires and they have no place to store tires. He said when they give a bid out, ... he thinks it is \$18,000.
- Mayor Cherepko said anything under \$18,000 doesn't have to go out to bid. He said that is why this is a gray area. He said this is what he brought up before. He said it is under \$18,000 if you only need four tires.
- Mr. Segina said Mr. Elash, does that change the amount required for bids, which was \$10,000.
- Mr. Elash said the Charter Amendment tracks what the State requires. He said it specifically references State law so as the State bidding requirements go up, the City bidding requirements go up as well. He said as far as the legal issue, he said it is a gray area as to whether the way they purchase tires ... whether it is something that needs to go out to bid or not ... the auditor has questioned that and is still researching that. He said he thinks that is why his 2010 Audit from what he understood is still preliminary because the Auditor is not sure about the legality of that finding. He said now that he has seen the prices of the tires, the Auditor is doubly questioning his judgment on that.

- Mr. Segina said thank you. He said the end result is that the City is going out to bid.
- Mayor Cherepko said yes sir. He said they should take a hold off Rhome's check because he needs to be paid for this month. He said hopefully by next month they have bids out and can present this to Council. He said this is amazing.
- Mr. McCall said he doesn't know if
- Mayor Cherepko said he thinks the other
- Mr. Segina said there is some way, Mr. Cherepko, that they have
- Mayor Cherepko said he thinks the other concern....
- Mr. Segina said this is not political, what is he talking about political. He said did he say Democrat or Republican to anybody.
- Mayor Cherepko said he thinks the concern that he has more than anything was that they really did not talk with Council. He said that can become part of the bids. He said the problem they have is on their bigger trucks and that is when the price is significantly less and the company that they use now is the only company around that comes out on site when the truck goes down and changes the tire. He said he doesn't even think their garage is equipped to change those large tires. He said that can be part of the bid also when they put that out for bid.
- Mr. Segina said that is fine. He said he has no problem with that. He said at one time they had companies here that did all that work too. He said they tried to deal with them as long as they were state sponsored. He said they had the contract.
- Mr. Malinchak said if he may, he would like to read one statement out of the findings. He said this is from Mr. Tomasic's preliminary findings and he repeats preliminary ...

"The City Administrator's review of authorized vendors disclosed an authorized vendor located in the City of McKeesport." He said thank you.

- Mayor Cherepko said that is the one they checked and he is a lot more expensive, thank you.
- Mr. Segina said that concludes the Citizens in the Audience.

TABLED BILLS:

BILL #24: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, APPROVING THE FEE AGREEMENT FOR J. JASON ELASH, ESQ. AS CITY SOLICITOR.

MOTION: Mr. McCall moved, seconded by Mr. Dellapenna, "To remove Bill #24 from the Agenda."

RC-4 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA, WALKER-MONTGOMERY, TEDESCO 7

NAYS: NONE..... 0

NEW BUSINESS:

ORDINANCE #12-8 – BILL #34: AN ORDINANCE OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE PROPER CITY OFFICIALS TO ENTER INTO THE ATTACHED AGREEMENT WITH THE SOLICITOR FOR SERVICES PERFORMED.

MOTION: Mr. Carr moved, seconded by Mr. Soles, "To adopt Bill #34."

RC-5 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA, 5

NAYS: WALKER-MONTGOMERY, TEDESCO 2

- Mr. Segina said before they continue. He said as an epilogue to this particular Bill because there is a lot going on with it. He said he would like to comment on that himself so that misplaced statements are rectified. He said this started back in January when Mayor Cherepko approached him and said he wanted to recommend Matt Gergely for the City Administrator. He said he told the Mayor that as long as Matt has the credentials and the Mayor feels comfortable with him then he has no problem with that. He said then the Mayor mentioned Mr. Elash's name second as Solicitor and he told the Mayor that he had some grave concerns about that. He said he told the Mayor they could meet with Council and the Mayor came back and promised Council that if Mr. Elash did anything wrong ... although he did not say it that way ... that he would be gone and he told Mr. Elash that too. He said the Mayor repeated that when they met in the back. He said that would be the condition ... that if Mr. Elash did something wrong, he would be gone. He said based on that, there was still some pessimism towards that particular statement. He said he asked everyone to vote yes to show solidarity and cooperation with the new Mayor. He said thus a 7-0 vote was given. He said then the incident happened. He said in the meantime, after the incident happened, the contract that they just removed from the Table appeared. He said he thought it best at that particular time to call for a full investigation so that Council was apprised of everything that went on and they could be fair and just on whatever decisions they were going to make. He said Mr. Washowich as Police Chief came in and addressed them along with Mr. Cherepko. He said the Chief told them that he had not completed the investigation but it would be forthcoming. He said that report never did come to the Council. He said instead it was in the newspaper on the front page. He said that is how they got the information. He said he did not like that at all. He said he thought that Council should have been in attendance at the meeting before

that went out. He said however, they chose that way to do the business and that is the way it goes.

- Mayor Cherepko said Mr. Segina
- Mr. Segina said wait until he is done and then he will give the Mayor his opportunity.
- Mayor Cherepko said Mr. Segina is criticizing the way he does business. He said let's clarify something. He said he called Mr. Segina and let him know. He said he could not help that the media was calling time after time and it was getting out there.
- Mr. Segina said he understands that.
- Mayor Cherepko said just so everyone is aware.
- Mr. Segina said they felt pressure from the media and gave the report to them instead of coming to Council as they requested. He said is that a fair statement.
- Mayor Cherepko said yes, but he called Mr. Segina to let him know that it was coming out in the paper the next day.
- Mr. Segina said yes he did. He said consequently there was some talk on Council itself and apprehension of a vote on the contract that was still pending on the Table. He said in view of that, he suggested ... because there were some Yeas and some Nays and he did not know which way the vote was going to go. He said some people even said reasonably that there was no verdict on this case so they should not do anything with this. He said he told them fine and suggested that they table this and that is where it is ... on the Table. He said subsequent to that, there was a lot of talk in town. He said he knows he had phone calls, people talked to him on the street and they even interrupted his dinner one time at the Viking and asked him what they were going

to do with the Solicitor. He said keep in mind that the people are blaming Council because Mr. Elash is still here. He said that is not Council's choice. He said they appointed him and he serves at the Mayor's pleasure. He said they cannot do anything about that. He said the only thing they can do and what he did, was negotiate the contract to be more concise. He said the beginning contract only stated the retaining fee and \$75.00 an hour. He said in the subsequent contract that they just passed He said there were some things that were added to it with the concurrence of Mr. Elash and Mayor Cherepko also. He said one of the things he wanted to do was to make sure that ... they only had \$60,000 in legal fees and \$10,000 in legal costs in the budget ... they didn't go over that amount. He said they went back and forth on how much to pay Mr. Elash as a flat fee rather than him billing the City. He said they agreed on a settlement ... they agreed on a price. He said it was \$5,500.00 plus \$1,500.00. He said so it was \$7,000.00 a month. He said he thought their bills were going to go over that if they went to the billing process. He said both of them thought that was fair and that is why it is on here now. He said the other part was that the duties and responsibilities of the Attorney, the City Solicitor, are outlined in this particular agreement also. He said that is almost a moot point because in the Home Rule Charter, those same articles are in this Bill. He said however it is in this agreement now also. He said a third point ... and he has to get to this ... was unbeknownst to them and that was that Mr. Elash was put on healthcare benefits. He said he doesn't know what the circumstances were on that but he did appear on there. He said what he wanted to put in the agreement was that if Mr. Elash is going to get the healthcare benefits through the City then they will deduct that from his pay. He said that was what was put in the agreement. He said that was agreed to by Mr. Elash and the Mayor. He said has he said something wrong Mr. Elash?

- Mr. Elash said no but those benefits were paid for from day one. He said he just wants to make sure he clarifies that for everybody too. He said the healthcare was paid for in advance from day one.
- Mayor Cherepko said the healthcare was
- Mr. Segina said and forthwith they are to be deducted from his pay.
- Mayor Cherepko said no, what they are saying is that all along he was paying for his benefits.
- Mr. Elash said from the time he was put on the healthcare, he paid for those too.
- Mr. Segina said he didn't say he wasn't paying.
- Mayor Cherepko said okay, he just said
- Mr. Segina said he is just saying with this agreement that is what they are doing. He said Mr. Elash paid out of his own pocket.
- Mayor Cherepko said but the way Mr. Segina made it sound was like they provided
- Mr. Segina said he is sorry if he misled them. He said up to that particular point Mr. Elash pays it out of his own pocket. He said they then made it payroll deduction. He said nothing in error in that, did he? He said he is trying to find this particular fourth thing that is not that important but he would like to make it part of the record.
- Mayor Cherepko said if he may while the Mayor is going through this. He said he thinks it needs to be known too that with the Charter, Council approves Mr. Elash as Solicitor and the Mayor executes contracts. He said on January 2nd or 3rd, he executed a contract on behalf of the City that is a non-bidding contract, Section 15.04 (6)

Non-Bidding Requirements Professional Services. He said Mr. Elash is providing professional services. He said it was fully executed by the Mayor and Council has no say as long as it is within the budget. He said Council's say is the budget. He said with that being said, he was willing to compromise and work with Council and let them have a say in this contract. He said Fawn there is nothing to smirk about, those are the facts.

- Ms. Walker-Montgomery said how does he know she was laughing at him. She said don't call her out as someone who is smirking about anything.
- Mayor Cherepko said well you got called out. He said maybe she needs to read the Charter.
- Ms. Walker-Montgomery said he doesn't know that she was even laughing at him, so he better watch his mouth.
- Mr. Segina gaveled the meeting and said he is taking the floor again.
- Ms. Walker-Montgomery said she was laughing at something that has nothing to do
- Mayor Cherepko said he doesn't know who she thinks she is talking to, but she better
- Mr. Segina said I think
- Ms. Walker-Montgomery said he doesn't know who he is talking to, try that.
- Mayor Cherepko said she better realize ... she doesn't need to smirk.
- Mr. Segina said he is taking the floor again.
- Mayor Cherepko said she needs to educate herself.

- Ms. Walker-Montgomery said he needs to educate himself, don't talk to her like that.
- Mayor Cherepko said sure you
- Mr. Segina said Ms. Walker-Montgomery, please. He said he has the floor.
- Ms. Walker-Montgomery said she has to educate him.
- Mayor Cherepko said does she understand the Charter?
- Ms. Walker-Montgomery said excuse me.
- Mayor Cherepko said do you understand the Charter?
- Ms. Walker-Montgomery said do you understand the Charter?
- Mayor Cherepko said let me ask you this
- Ms. Walker-Montgomery said the Mayor needs to back the hell off.
- Mr. Segina said to the Mayor that he is instigating something Mr. Segina is trying to resolve.
- Mayor Cherepko said he wants to ask a question.
- Ms. Walker-Montgomery said she is over here minding her own business and she did not say anything.
- Mayor Cherepko said let him ask a question.
- Mr. Segina gaveled and said that is enough.
- Ms. Walker-Montgomery said back off.
- Mr. Segina said is Detective Osinski here.
- Mayor Cherepko said is she on the committee.

- Ms. Walker-Montgomery said don't go there. She said he doesn't want to do that, he doesn't want to do it.
- Mr. Segina said if he has to he will have her removed again from this meeting. He said he doesn't want to do that.
- Mayor Cherepko said do what, is Mr. Segina going to threaten him.
- Mr. Segina said let me finish this, get through it and be done.
- Mayor Cherepko said ... and threaten him.
- Mr. Segina said keep the personal part out of it.
- Mayor Cherepko said he did not threaten him.
- Mr. McCall said you have already done it, Darryl.
- Mr. Segina said personal conduct....
- Mayor Cherepko said Mr. Segina can check the minutes, he was not threatened.
- Ms. Walker-Montgomery said she was over here minding her business and didn't say anything to him.
- Mr. McCall said Darryl, this is a personnel matter really.
- Mr. Segina said Mr. McCall, he has the floor right now and this is a public meeting and a public resolution that they put before everybody.
- Mr. McCall said right and does Mr. Segina know what he did.
- Mr. Segina said the last part is
- Mr. McCall said excuse me, can he interject one thing here. He said Mr. Segina asked for a discussion on that

Bill, there was no discussion, it was passed and they should be moving on.

- Mr. Segina said if Mr. McCall doesn't mind, he would like to finish.
- Mr. McCall said he is just saying.
- Ms. Walker-Montgomery said she is going to the bathroom and will be back.
- Mr. Segina said under personal conduct
- Ms. Walker-Montgomery said she just needs a break.
- Mayor Cherepko said she needs it.
- Mr. Segina said ... it says the Solicitor is an employee of the City of McKeesport and his actions and personal conduct reflect directly on the City's reputation, he shall conduct himself in a manner consistent with keeping the City's reputation in that regard beyond reproach. He said the second part of that is should the Solicitor be convicted of any alcohol-related offenses, the events associated with which should occur after March 1, 2012, the Solicitor shall immediately be terminated by the Mayor. He said that is fine with him because that is written in the Home Rule Charter anyway. He said the Solicitor serves at the Mayor's pleasure. He said he just wanted to explain that part of it because the blame sometimes has been misguided and he thinks they are all in the same accord. He said to his credit, they did negotiate with Mayor Cherepko and he did give Mr. Elash the opportunity to also negotiate with them. He said it is going to be something that is not going to go away and will perpetuate itself. He said as of right now they have a Resolution here that was passed and approved and up to this point, he thinks everyone is happy although not completely happy. He said that is what compromise is.

He said someone goes away a little bit sad but now it is done.

- Mr. Tedesco said to Mr. Elash that he just wanted to clarify one thing. He said does this change his code at all. He said is he a W-2 or a 1099 employee.
- Mr. Elash said he doesn't know and he doesn't have an answer for him on that.
- Mr. Tedesco said that was his concern with this contract.
- Mr. McCall said he tried to say that last week, last month.
- Mr. Tedesco said it seems to create a hybrid employee....
- Mr. McCall said but Mr. Segina played his hand again so.... He said they will see this play out down the road.
- Mr. Segina said let him say this, since Mr. McCall said that. He said he has in his hand here an Ordinance designating Jack Cambest as the City Solicitor with compensation outlined. He said that goes back into 1997. He said he also has one here for Mr. Muscante that goes back to the year 2000 recommending Falco Muscante as their City Solicitor and copies of that agreement. He said this is nothing new and they are not putting anything extra on this particular Administration. He said it is just an agreement that they are saying please live up to it. He said they have to live up to paying him and he has to live up to his side. He said they agreed on it. He said there is nothing sinister about it and he just wanted to explain their part of this whole thing. He said there is a lot of talk out there and he would like to quell that talk.
- Mr. McCall said he thinks Mr. Segina needs to clarify ...

- Mr. Elash said if he can interject ... if they could move on.
- Mr. McCall said he thinks Mr. Segina needs to clarify who negotiated this. He said he thinks they should move on. He said this was Mr. Segina, this was Mr. Segina only.
- Mr. Elash said he thinks everything's been set up and he has been thoroughly embarrassed. He said it has been brought out in public, let's just move on and govern the City.
- Mayor Cherepko said that is the whole problem.
- Mr. McCall said that is why he tried to be peaceful today.
- Mr. Tedesco said he just wanted clarification on what code he was under.
- Mr. McCall said that is going to happen down the road.
- Mayor Cherepko said if they truly want to know, according to the Charter, the Solicitor is always an employee. He said the Solicitor is a Department Head.
- Mr. Tedesco said prior to this vote tonight, was he not being paid as a 1099 employee.
- Mayor Cherepko said yes, but even how they are paid technically speaking, if they read the Charter and understand the Charter, he is a Department Head and is an employee. He said that is why Mr. Cambest, as Mr. Segina brought up, receives a pension from the City as they speak. He said as they speak, Mr. Cambest receives a pension. He said because even a Solicitor
- Mr. Tedesco said there are a lot of other implications regarding that ... Social Security is affected and there are a lot of things.
- Mr. Elash said they don't pay Social Security.

- Mr. McCall said the City doesn't pay social security.
- Mr. Tedesco said as an employee he doesn't, but as an independent contractor he would.
- Mr. Segina said has Matt checked into that part of it.
- Mr. Gergely said which part.
- Mr. Segina said whether he is ... it was his understanding that he would get a 1099.
- Mayor Cherepko said no, technically speaking, how it is supposed to work and this is how it has been done for years
- Mr. Tedesco said he doesn't pay into Social Security.
- Mr. Elash said yes, just like every
- Mr. Tedesco said that is what he said, if he were an independent contractor then he would be paying Social Security.
- Mayor Cherepko said according to the Charter, his retainer should technically ... that is the part that gets him vested into the pension and that is the part that makes him an employee. He said is he a full-time employee, no.
- Mr. Tedesco said yes, that is why he is asking him.
- Mayor Cherepko said the rest, when he bills for legal work, he would get a 1099 for that amount. He said Mr. Tedesco ... Mr. Elash can correct him if he is wrong. He said technically speaking the way it has been done in the past ... and he thinks Mr. Elash got a 1099 for all ... technically how they got a pension ... Mr. Cambest did not get a pension on the \$150,000 plus he made over all those years. He said what he got a pension on was his retainer. He said the retainer was \$45,000 under Mr.

Cambest. He said that is the part that actually makes him an employee, the retainer. He said even with that \$45,000, he thinks he got a W-2.

- Mr. Elash said he got a W-2 and it is his understanding that he got a W-2 for his retainer and then he got a 1099 for the extra legal work.
- Mayor Cherepko said he was 1099'd for his extra fees.
- Mr. Elash said that has been the way the Solicitor has always been paid here. He said the Solicitor has been a member of the health insurance program as a paid employee just like every other employee of the City. He said the Solicitor has participated in the pension fund just like every other Solicitor has and those are all facts that have been documented in the City Clerk's office.
- Mr. Segina said today, Mayor Cherepko, Mr. Elash is receiving healthcare benefits but he is paying for them by himself.
- Mayor Cherepko said that is correct.
- Mr. Segina said are there any other benefits that he is getting.
- Mayor Cherepko said no.
- Mr. Segina said then they are cool. He said he knows there was an issue when Mr. Pittman was here about how he was paid and whether it was under a W-2 or a 1099. He said he doesn't know how that went and he doesn't think that is anything bad, it is just a matter of process and how they are going to do it. He said can Mr. Gergely look into that to see if they are doing it the right way anyway.
- Mr. Gergely said yes, of course.

- Mr. Segina said maybe he can go to Mr. Tomasic and he can give him a briefing on that.
- Mr. Elash said it is going to be all one or the other. He said it has to be a 1099 or it has to be a W-2.
- Mr. Tedesco said that was his entire take on this.
- Mr. Malinchak said they had an IRS audit come in here and just like Mr. Elash said, that is the determination that the IRS made. He said they have to go one way or another. He said they can't straddle. He said the rules by the IRS are that once someone is taken on as an employee, that employee has to fill out something called a W-4 if he is going to be a W-2 employee or a W-9 if he is going to be a 1099 employee. He said he cannot be both as Mr. Elash just said. He said the decision has to be made right now whether they are going to ask him to complete a W-4 or a W-9. He said from what he is hearing right now it should be a W-9 because if it is a W-4 which means he is a W-2 employee, they will have to budget for Social Security which they did not do.
- Mr. Elash said they don't pay Social Security Mr. Malinchak. He said the City doesn't pay Social Security.
- Mayor Cherepko said the City doesn't pay Social Security.
- Mr. Malinchak said on a W-2 they will owe the equivalent to it then.
- Mr. Segina said can Mr. Gergely check that out and make sure they are right procedurally with whether it is a W-2 or a 1099. He said this is nothing that is bad, it is just a matter of procedure. He said that is what they are talking about.
- Mayor Cherepko said he has one other issue that he forgot to mention. He said he did not really want to

interrupt. He said Mr. Tedesco mentioned that the meeting for the Home Rule Charter Committee was going to be this month.

- Mr. Tedesco said the meeting is next Wednesday.
- Mayor Cherepko said he didn't realize it was going to be that soon. He said according to the Charter, anytime they form a committee that is going to be a public meeting and something like that, it all has to be done by Ordinance. He said that is something to consider. He said it is Section 5.01(11).
- Mr. Tedesco said they did pass it by Ordinance.
- Mayor Cherepko said they never passed an Ordinance.
- Mr. Tedesco said they voted on it last month.
- Mayor Cherepko said that was a motion and they need an Ordinance.
- Mr. Tedesco said he remembers Darryl asking if they needed it.
- Mr. Segina said if that is the case, he can check it out with Mr. Elash and have him present an Ordinance to the majority.
- Mayor Cherepko said he just wants to make sure they are doing things right. He said this is going to be a public meeting.
- Mr. Segina said in the meantime, they can hold an informal meeting where no decisions are being made and then they can have the Ordinance drawn up by Mr. Elash.
- Mayor Cherepko said he didn't realize it was going to be that soon and when he heard that, he just wants to make sure they do it right. He said anytime they form a

committee, commission, authority ... when Council does that it has to be done by Ordinance so it is very defined on what it is going to be and what the intent is.

- Mr. Segina said he doesn't think the first meeting is going to have any dramatic fashion to it.
- Mr. Tedesco said there are not going to be any decisions made in the first meeting.
- Mr. Segina said does Mr. Elash think it is okay to meet informally like that until they have that Ordinance drawn up.
- Mr. Elash said yes, sir.
- Mr. Segina said will Mr. Elash follow through on that please.
- Mr. McCall said can they put the number of Council people on the committee.
- Mr. Elash said as long as there are not four Council people at that meeting then it is not a violation of the Sunshine Act and there should be no problem with them getting together and discussing proposed amendments to the Charter.
- Mr. McCall said the meeting is next Wednesday ... there are four Council people.
- Mayor Cherepko said he just thinks it is important to do it by Ordinance so they are all on the same page. He said he will be at the meetings. He said he didn't get an invite and did not know about the meeting but he will be here.
- Mr. Segina said Mr. Cherepko, they want to do things the right way.
- Mayor Cherepko said that is why he mentioned that.

- Mr. Segina said they just described that
- Mayor Cherepko said he thinks it is very important and they want to clarify....
- Mr. Segina said Mr. Tedesco please get with Mr. Elash regarding the Ordinance. He said they will do that, no problem whatsoever.
- Mr. Tedesco said yes, but they were never told this last month.
- Mayor Cherepko said what's that?
- Mr. Tedesco said this was never mentioned last month whenever everything
- Mr. McCall said he brought it up. He said he actually went to the Mayor and asked if this was done right for the
- Mayor Cherepko said he honestly thought the meeting ... he said they brought it up by motion and he thought before they actually formalized meetings that ... when they have formal public meetings that is what they talked about last month like with the whole committee thing. He said they are not getting into that now but if he forms a committee or Council forms a committee that is just a forum, they don't need any of this.
- Mr. Segina said then they will do that. He said he thinks it is apropos to do that because then it gives them substance as far as the Ordinance goes too. He said it becomes law with the Ordinance. He said are they on Bill #35?

ORDINANCE #12-9 – BILL #35: AN ORDINANCE OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AMENDING ORDINANCE NO. 11-25 OF

MOTION: Mr. Tedesco moved, seconded by Mr. Dellapenna, "To adopt Bill #35."

ORDINANCE #12-10 – BILL #36: AN ORDINANCE OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE AN EASEMENT ALONG LOCUST STREET TO FACILITATE THE RELOCATION OF THE GREATER ALLEGHENY PASSAGE BIKE TRAIL.

MOTION: Mr. Tedesco moved, seconded by Mr. McCall,
"To adopt Bill #36."

RC-7 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
WALKER-MONTGOMERY, TEDESCO 7

NAYS: NONE..... 0

BILL #37: AN ORDINANCE OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, CLOSING FOURTH AVENUE AS A PUBLIC RIGHT OF WAY AND DEDICATING SAID RIGHT OF WAY FOR USE AS PART OF THE ALLEGHENY PASSAGE BIKE TRAIL AND FOR USE BY EMERGENCY VEHICLES ONLY.

MOTION: Mr. McCall moved, seconded by Mr. Tedesco, "To remove Bill #37 from the Agenda."

- Mr. Segina said this Bill is going to appear under a different title later on with some changes to the Trail itself. He said they are removing this to put the exact language in.

RESOLUTION #2012-25 – BILL #38: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, RE-APPROVING A REQUEST FROM REGIONAL INDUSTRIAL DEVELOPMENT CORPORATION (RIDC) TO SUBDIVIDE LOT & BLOCK 307-A-25 AND COORDINATE THE SOUTHERLY PART WITH LOT & BLOCK 307-E-192 LOCATED IN THE FOURTH WARD OF THE CITY OF McKEESPORT.

COMMENTS:

- RC-9** YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
WALKER-MONTGOMERY, TEDESCO 7
- NAYS: NONE..... 0

MOTION: Mr. Tedesco moved, seconded by Mr. Dellapenna, "To adopt Bill #39."

- Mr. Segina said this will be funded by ... he forgot what they said last night.
- Mayor Cherepko said it is a grant that came in from Senator Brewster and it was actually a grant that came in when the Senator was Mayor and for whatever reason they processed the paperwork over the last year so now it is finalized and the Palisades will have a nice big sign that will be used for advertisements. He said it will be located when you come across the Jerome Street Bridge. He said it will be a nice welcome to the City. He said when they first come in and see the sign it will be an opportunity for businesses to advertise and things of that nature.
- Mr. Segina said thank you to Senator Brewster or Mayor Brewster when he got the money and for helping them out at the Palisades to the tune of almost \$33,000.00.

RC-10 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
WALKER-MONTGOMERY, TEDESCO 7

NAYS: NONE.....0

Mr. Segina said the next four Bills are all pertaining to the lights that were addressed earlier in the meeting. He said they are somewhat repetitious but the amounts are different and the projects are a little bit different. He said they are going to fly

through these as fast as they can.

RESOLUTION #2012-27 – BILL #40: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE PROPER CITY OFFICERS TO ENTER INTO AN AGREEMENT WITH BRONDER TECHNICAL SERVICES FOR CONTRACT ONE, REBECCA TRAFFIC SIGNAL, ARLE GRANT, IN THE AMOUNT OF \$155,871.78.

MOTION: **Mr. Tedesco moved, seconded by Mr. Dellapenna, "To adopt Bill #40."**

COMMENTS:

- Mr. Segina said these are fully funded by PennDOT if he is not mistaken.
- Mayor Cherepko said yes, sir.
- Mr. Segina said all five of these Bills are fully funded so he doesn't have to repeat himself.
- Mayor Cherepko said they are all funded through PennDOT.
- Mr. Segina said this is to have better navigation through Lysle Boulevard and parts of Walnut Street. He said he thinks they will all be happy. He said it is in conjunction with the paving of Lysle Boulevard.
- Mayor Cherepko said yes, but the Boulevard ... these bills here are just for the Rebecca Street and Walnut Street corridor. He said Mr. Segina is exactly right, they are also in addition to that probably next month or the month after, which has been approved, they will do all of Lysle Boulevard also.
- Mr. Segina said the Mayor just said he was right.
- Mayor Cherepko said yes.

- Mr. Segina said thank you Mr. Cherepko.

RC-11 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
WALKER-MONTGOMERY, TEDESCO 7

NAYS: NONE 0

RESOLUTION #2012-28 – BILL #41: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE PROPER CITY OFFICERS TO ENTER INTO AN AGREEMENT WITH PATH MASTER FOR CONTRACT TWO, SUPPLY PROPRIETARY MATERIALS, ARLE GRANT, IN THE AMOUNT OF \$81,404.00.

MOTION: Mr. Tedesco moved, seconded by Mr. Soles,
"To adopt Bill #41."

RC-12 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
WALKER-MONTGOMERY, TEDESCO 7

NAYS: NONE 0

RESOLUTION #2012-29 – BILL #42: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE PROPER CITY OFFICERS TO ENTER INTO AN AGREEMENT WITH PATH MASTER FOR CONTRACT THREE, SUPPLY NON-PROPRIETARY MATERIALS, ARLE GRANT, IN THE AMOUNT OF \$8,038.00.

MOTION: Mr. Tedesco moved, seconded by Mr.
Dellapenna, "To adopt Bill #42."

RC-13 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
WALKER-MONTGOMERY, TEDESCO 7

NAYS: NONE 0

MOTION: Mr. Tedesco moved, seconded by Ms. Walker-Montgomery, "To adopt Bill #43."

AMEND THE AGENDA:

MOTION: Mr. Tedesco moved, seconded by Mr. Dellapenna, "To amend the Agenda to include Bills #44 and #45."

RESOLUTION #2012-31 – BILL #44: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE PROPER CITY OFFICERS TO FILE AN APPLICATION WITH THE UNITED STATES DEPARTMENT OF JUSTICE WITH THE ALLEGHENY COUNTY SHERIFF’S OFFICE IN THE AMOUNT OF \$31,183.00 FOR THE PROGRAM KNOWN AS RECOVERY ACT: EDWARD

**BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT (JAG 2012)
FORMULA PROGRAM.**

MOTION: **Mr. Tedesco moved, seconded by Mr.
Dellapenna, "To adopt Bill #44."**

COMMENTS:

- Mr. Segina said he has one question. He said what is this going to be used for.
- Mayor Cherepko said it is typically used for Police vehicles.
- Mr. Segina said for Police vehicles.
- Mayor Cherepko said yes, so the Chief is going to get a vehicle put into the fleet. He said they don't quite get all of that because the County takes ten percent (10%) of all of those. He said it would be minus that or roughly \$28,000.00.
- Mr. Segina said and they got that grant through whom. He said who put that in for them so that they can give them a thank you.
- Chief Washowich said Allegheny County gets the grant and it was done through Bethany's office. He said the City is a co-applicant. He said it the City of McKeesport, Swissvale, Wilkinsburg and the City of Pittsburgh.
- Mr. Segina said great, just so it doesn't cost them any money.
- Chief Washowich said it doesn't cost anything.
- Mr. Segina said it costs them nothing and they get a new vehicle. He said thank you Bethany and thank you Allegheny County and whatever part Chief Washowich played.

RC-16 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
WALKER-MONTGOMERY, TEDESCO 7

NAYS: NONE 0

RESOLUTION #2012-32 – BILL #45: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, DEDICATING FOURTH AVENUE AS THE DESIGNATED ROUTE FOR THE GREATER ALLEGHENY PASSAGE BIKE TRAIL.

MOTION: Mr. Tedesco moved, seconded by Ms. Walker-Montgomery, "To adopt Bill #45."

RC-17 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
WALKER-MONTGOMERY, TEDESCO 7

NAYS: NONE 0

- Mr. Segina said before they get into the Controller's Report, he would just like to apologize to Mr. Malinchak for not letting him complete what he was saying. He said he doesn't know what he was going to talk about but he is sorry he had to cut him off. He said he felt it was getting a little inflammatory and to keep a little semblance to this meeting, he decided to terminate it because that is up to him. He said they usually have a three-minute rule and he has given expanded time to people who make a good point. He said he thought in this particular case they should just let it go at what it was. He said let's move on from there.

CONTROLLER'S REPORT:

- Mr. Malinchak said thank you Mr. Segina and he did the right thing. He said Mr. Segina should not feel that he hampered him. He said he has one item he would like to bring up

before he gets to the bills. He said the item he would like to bring up is in reviewing the M&T Bank statements, he noticed that on January 1 of this year that a \$9.747 million transaction was made when the money was

- Mayor Cherepko said that would be January 31, but go ahead.
- Mr. Malinchak said he is sorry if he misspoke. He said thank you for correcting him. He said \$9.747 million was transferred to a new account and the notation on the transaction was per Letter of Instruction #130, #131 and Counsel Opinion. He said Mr. McCall, these are the three documents he was asking for. He said he just wanted to share with them his understanding of the Right to Know law. He said they indicated to him that he should not be taking some of these documents home. He said but if any citizen out there obtains any document that is a public record from the City and the City makes a copy, obviously they take it home. He said just so he understands.
- Mr. McCall said Ray, he just wants to clarify what he said. He said there are some documents that he feels should not leave City Hall. He said there are a lot of documents in the past that Ray has gotten that he doesn't think should have left City Hall. He said some of these documents have people's account numbers on them and things like that. He said he doesn't think Ray should have those at home. He said he is not saying he shouldn't have them, but he should have them in a place in City Hall locked up.
- Mr. Malinchak said he agrees with him. He said keep in mind there is one other option, the City will redact it if there is an account number on it.
- Mr. Segina said from now on can Mr. Gergely monitor that so that they are in compliance all the way around on that regarding what can and can't be....
- Mr. Malinchak said let me finish

- Mr. Segina said he doesn't want a debate here between the two of you.
- Mr. Malinchak said he thinks this is important for Council to know.
- Mr. Segina said that is fine and he is not shutting him off from talking, he just doesn't want to talk about what Mr. Malinchak can and cannot take from the building.
- Mr. Malinchak said thank you. He said this transaction was made in January, which means they had three Council meetings since then. He said does anyone in the room know why \$9.747 million was transferred to this new account.
- Mayor Cherepko said he thinks he can explain. He said anyone here that sat in this Council meeting would have heard him at the February meeting say that the transfer of money to pay down their debt was being made. He said that is it Mr. Malinchak. He said he sat here month after month after month after month. He said they are back to the whole Groundhog Day thing again with him, but with that being said, they passed an Ordinance in August. He said he will recap this since Mr. Malinchak asked a question. He said he will give him a very clear and factual answer. He said they passed an Ordinance in August to invest this money. He said the prior Administrator and Controller did not want to invest this money so they did not sign the agreement with PFM to invest the money. He said so the money sits in an interest-free account for five months. He said that was after Council passed the Ordinance, no one on this Council was responsible for that. He said it did not get signed. He said he did his duty when he took office and went in at the end of his first week, maybe the beginning of the second week, he signed the paper to execute the agreement with PFM to put out bids and do everything they needed to do to get the best yield on the money and to transfer the money to pay down the debt like the Ordinance said. He said that is that investment. He said they are now sitting with the City of McKeesport ... and

he is very excited and proud to say that they have taken their debt of \$31-\$32 million and decreased it down to about \$12 million. He said that money was a pre-payment for the most part. He said the money had to be allocated to pay off their bonds.

- Mr. Malinchak said did they actually pay the bond off.
- Mayor Cherepko said the money had to be totally there. He said they could not say okay they would pay them off in 2014. He said because the bonds don't mature until then, they had to give them the money. He said so technically yes, but no. He said here is what they did though. He said that saved the City over \$700,000 in insurance premiums on their bonds. He said that number may vary a little bit but it was a significant amount somewhere around \$700,000.00. He said in addition to that, the monthly payment on the bond debt, on the debt service payment went from \$187,000 a month down to \$50,000. He said now where were they going to get that money to pay that debt. He said that is why they did that. He said they couldn't just tell them that they would pay it off in 2014. He said they are not going to take that chance. He said they are going to say continue making your debt service payment and the insurance payments. He said that is what they would have had to do. He said now the money is allocated. He said that is why when he sat here last month and said they do not have \$14 million. He said he estimated \$10 million, but it was \$9.7 million that was paid on January 31. He said that was to pay off their debt. He said they now ... and he thinks this Council should be very proud to say ... that they just put this City in a much better financial situation, not only right now ... even though the situation is not good because of the debt they inherited, but as far as their credit rating goes, they are hoping to improve because now they are in a much better situation. He said they have less debt. He said it is no different than if he applies for his own personal credit cards. He said they look at their debt. He said if they apply for a mortgage they look at their debt.

He said it is no different with the municipalities. He said they reduced their debt down by sixty-six percent (66%) and are sitting on a \$12 million debt. He said that helped the long-term future of the City but also helped them now because instead of paying \$187,000 a month, they are now paying about \$50,000 and some odd change. He said he doesn't know exactly what it is, but it is right around \$50,000. He said it is a significant savings. He said he doesn't know where they would have come up with the money. He said the only place they could have gotten the money to pay that difference if they would have been paying \$120,000 or \$130,000, they would have had to take it out of that \$24 million. He said then what would have happened is when they came to 2014, the City would have inherited instantly, instantly at least a \$3 to \$4 million debt. He said then they would be out of business. He said they would be Act 47, the Fire Department would be in question, the Police Department would be in question and the City would be out of business. He said that is why it was so crucial to do that. He said that is why they had no chance. He said here is the point. He said if they consider the net savings that comes in, although there is not the money being earned interest-wise, which they can't find very much anywhere now, but what they are saving when it is all said and done, because they are not paying that debt and the interest on the bonds and the interest on the debt and the high insurance premiums, they are saving roughly five to six percent (5-6%). He said that is what they are making on this money. He said it is not technically made but it is what they saved, five to six percent interest which is a tremendous investment at this point in time with the economy that they have.

- Mr. Malinchak said does he have all this analysis documented so that he can share it with the public and Council.
- Mayor Cherepko said he did not make that up, sir. He said he can assure him.

- Mr. Malinchak said no, that is not his question. He said does the Mayor have the analysis documented. He said he didn't say he made that up.
- Mayor Cherepko said yes. He said they have the papers
- Mr. Malinchak said the documents he is asking him for here, which he has to request through the Right to Know Act are the Instruction Letters on 130, 131 and
- Mayor Cherepko said yes, and they sent him a letter back saying they would get him those documents.
- Mr. Malinchak said yes, in twenty (20) days.
- Mayor Cherepko said well, if he wants to do it through the system, then they are also going to use it.
- Mr. Malinchak said why is the Mayor withholding this information from Council and the Controller.
- Mayor Cherepko said Council can have it. He said he is not withholding anything. He said Mr. Malinchak went through the formal process and turned them into the State so if he wants to go through the process then they are going to follow it. He said because they have the right to extend it to twenty (20) days, then they are going to extend it to twenty (20) days.
- Mr. Segina said gentlemen they are getting into
- Mayor Cherepko said well this is what it is, Mr. Segina. He said they need to start governing. He said five months they have been in this office now and they do no governing. He said everything.... He said they have had three or four arguments today, all politically motivated. He said if anyone wants an explanation on how it is politically motivated, he will be glad to tell them how every one of those arguments was politically motivated.

- Mr. Segina said Mayor Cherepko will get the analysis to City Council and the City Controller, right?
- Mayor Cherepko said yes.
- Mr. Malinchak said he has one other question.
- Mr. Elash said all [unable to discern what was said.]
- Mayor Cherepko said all it says ... he doesn't know ... no, no, not
- Mr. Elash said the analysis has already been done
- Mr. Segina said they went over that and they got that.
- Mayor Cherepko said all they have to do is read the Ordinance to know
- Mr. Elash said the Ordinance gives the analysis ... it is all in the Ordinance they passed.
- Mayor Cherepko said the analysis is what he is looking for.
- Mr. Segina said where is that Ordinance.
- Mayor Cherepko said they passed it in August. He said all he did was execute that Ordinance.
- Mr. Segina said Mr. Malinchak can continue.
- Mr. Malinchak said thank you. He said the other thing he has is at the last meeting they indicated to the Administration that they were going to have a budget review in June. He said are they going to get an update on the budget.
- Mayor Cherepko said he said he was hoping to do it in July.
- Mr. Segina said he requested by the first meeting in July that the Mayor would update them on the status of their budget.

- Mr. Malinchak said he would like to add one other item to that because he has heard repeatedly that they are going to be experiencing a significant deficit. He said they should also include in that a recovery plan based on the estimated deficit.
- Mr. Segina said he thinks if they get to the point where there is going to be a deficit then he is certain Mr. Cherepko will have a recovery plan.
- Mayor Cherepko said they are going to do what they call pulling another rabbit out of the hat. He said as they have heard so many times.
- Mr. Malinchak said he thinks the rabbit that he is going to pull out of the hat by paying off the debt is intuitively obvious and they are going to refinance.
- Mayor Cherepko said that is not true. He said not right now. He said probably down the road once their bonds
- Mr. Segina said alright before they get into it any more, here are the rules. He said they are to give their report and then keep quiet. He said let's get out of here.
- Mayor Cherepko said just for the record, the financial analysis
- Mr. Segina said Mayor Cherepko is not listening to him.
- Mayor Cherepko said the financial analysis is part of the authorities of the Controller, which is supposed to be done on a quarterly basis.
- Mr. Segina said he is starting to look at the clock and he wants to get out of here. He said let's do something that is important, get down to business and let's get out of here. He said everything has been answered so far up to this point.
- Mr. Malinchak said he recommends that Council approve payment of the bills in the amount of \$36,222.56.

MOTION: **Mr. Tedesco moved, seconded by Mr. Soles,
"To approve payment of the bills in the
amount of \$36,222.56."**

RC-18 YEAS: McCALL, SOLES, CARR, SEGINA, DELLAPENNA,
WALKER-MONTGOMERY, TEDESCO 7

NAYS: NONE 0

- Mayor Cherepko said before Mr. Segina adjourns, he just wants to make sure that all of the bills are in there. He said does that number include all of the bills.
- Mr. Malinchak said this does not include the Rhome bill based on Mr. Segina's instructions.
- Mayor Cherepko said he doesn't think that the majority of Council....
- Mr. Segina said he will discuss that with Mayor Cherepko.
- Mayor Cherepko said they need to approve that bill.
- Mr. Malinchak said he is not approving it. He said the bill
- Mayor Cherepko said he did it for eight years, for eight years.
- Mr. Malinchak said trust me ... let me repeat to him....
- Mayor Cherepko said he did it for eight years.
- Mr. Malinchak said if the Mayor would let him talk. He said the bill is \$2,258.00 to Rhome and he is not approving it because Rhome is not an authorized vendor.
- Mayor Cherepko said Mr. Malinchak did it for eight years. He said put it on the record. He said did he or did he not sign Rhome's bills for eight years or however many years they used him.
- Mr. Malinchak said he questioned it repeatedly....

- Mayor Cherepko said did he or did he not....
- Mr. Malinchak said yes he did.
- Mayor Cherepko said he just wants to make that very clear. He said it cost them more money to get the lawsuit settled.
- Mr. Segina said does anyone else want to go home.
- Mayor Cherepko said it's ridiculous. He said grow up, everything is so politically motivated.
- Mr. Segina said he will put it this way. He said Mr. Cherepko is going to get the bid for the tires, right? He said when he gets the bid for the tires, He said Mr. Malinchak will you please include that with the bills tentative to receiving the bid on the tires so they can approve that. He said that amount would be how much then?
- Mr. Malinchak said it would be \$2,258.00. He said he will do that.
- Mr. McCall said they don't even know if they can bid on them yet.
- Mr. Segina said they will make a motion.
- Ms. Williams said wait a minute.
- Mr. McCall said they don't even know if they can bid out the tires.
- Mayor Cherepko said make it clear, they are not going to pay a vendor and he wants the public to understand that they are not paying a vendor that they have paid for eight years. He said he wanted to make that very clear.
- Mr. Segina said they need a motion to approve the Rhome Bill upon the resolution with the Mayor in regards to the tire bid so they can get this resolved.

- Mr. McCall said he makes a motion that they pay the bill.
- Mr. Segina said there is a motion on the floor.
- Mr. McCall said how in the hell is Darryl going to do this. He said they have to sit there and wait for the Auditor because they are in a gray area on the bid as it is. He said come on, think a little bit.
- Mr. Segina said he has a motion on the floor. He said don't insult him by saying to think.
- Mr. McCall said he is. He said Darryl hasn't thought all night long. He said all Darryl has been doing is arguing all night long.

MOTION: **Ms. Walker-Montgomery moved, seconded by Mr. Tedesco, "To pay the Rhome Bill upon resolution with the Mayor regarding the tire bid."**

COMMENTS:

- Mr. Carr said he is not sure what the motion is to be quite honest.
- Mr. McCall said the motion is to pay the Rhome bill.
- Mr. Segina said the motion is once they are sure that Mr. Cherepko is going out to bid with this, then they will pay the Rhome tire bill. He said that is simple.
- Mr. Carr said no, that is the bill that he is talking about.
- Mr. McCall said they can't go out to bid with it.
- Mr. Segina said they will take a roll call.

(While the roll call was being taken the following conversations took place):

- Mr. McCall said it doesn't make sense, Darryl.

- Mr. Segina said they are taking a vote, please be quiet.
- Mayor Cherepko said someone could vote to Table it.
- Mr. Carr said they would have to make another motion.
- Mr. McCall said Mr. Segina has made a mockery of this whole thing.

RC-19 YEAS: SOLES, SEGINA, WALKER-MONTGOMERY,
TEDESCO..... 4

NAYS: McCALL, CARR, DELLAPENNA..... 3

- Ms. Williams said there are four yeas and three nays.
- Mr. Cherepko said does someone want to make a motion to pay it now.
- Mr. McCall said he will make a motion that they pay it now.
- Mr. Carr said he will second the motion.

MOTION: **Mr. McCall moved, seconded by Mr. Carr, "To pay the Rhome bill now."**

- Mr. Segina said he already has a motion to delay it.
- Mayor Cherepko said no, he doesn't. He said they can make a motion....
- Mr. Segina said let's not make a mockery
- Mayor Cherepko said there is a motion and a second.
- Mr. Segina said let's not make a mockery of this, okay?
- Mayor Cherepko said there is a motion and a second, Mr. President.
- Mr. Elash said there is a motion and second on the floor.

- Mr. Segina said Mike is going against State law, what is he talking about. He said it was written up by the auditor.
- Mr. McCall said they are not.
- Mr. Carr said they are seven
- Mr. Segina said he would like a motion to adjourn.
- Mayor Cherepko said the auditor never put anything in writing.
- Mr. Segina said he would like a motion to adjourn.
- Mr. Tedesco said he makes a motion to adjourn.
- Mayor Cherepko said he has a motion and a second on the floor to pay this bill.
- Mr. Segina said he has a motion to adjourn by Mr. Tedesco, ... do they have a second to adjourn?
- Mayor Cherepko said do your job, Mr. President. He said this is unbelievable.
- Mr. McCall said there is a motion on the floor, Darryl.
- Mr. Segina said he needs a second to adjourn.
- Mr. McCall said there is a motion on the floor and a second.
- Mr. Segina said they have a motion to adjourn. He said he is not going to go through this anymore.
- Mayor Cherepko said there is a motion and a second.
- Mr. Segina said they are agreeing to pay the bill, Mr. Cherepko.
- Mayor Cherepko said he has a motion and a second to pay this one until they get it done.
- Mr. Segina said they have a motion to adjourn.

- Ms. Walker-Montgomery said she made the motion to adjourn.
- Ms. Williams said wait a minute.
- Mayor Cherepko said they have a motion and a second to approve a bill and they are ... this is unbelievable.
- Mr. Tedesco said he will second the motion.
- Ms. Williams said wait, who made the second.
- Mr. Segina said roll call.
- Mayor Cherepko said Mr. Segina just violated the law.
- Mr. McCall said Mr. Segina doesn't know the Charter, he has been trying to tell them that for a while.
- Mayor Cherepko said he would not vote to adjourn. He said this is a joke. He said there is a motion and a second, and Mr. Segina wants to talk about illegal.
- Mr. Segina said roll call.

MOTION: **Ms. Walker-Montgomery moved, seconded by Mr. Tedesco, "To adjourn the meeting."**

COMMENTS:

- Mr. McCall said what is the motion.
- Mr. Elash said it is a motion to adjourn.
- Mayor Cherepko said may he ask the Solicitor

(The following conversation took place after the first vote was called.)

- Mr. Elash said they already have a vote on the motion and they must continue the roll call.

- RC-20** YEAS: SOLES, SEGINA, WALKER-MONTGOMERY,
TEDESCO..... 4
- NAYS: McCALL, CARR, DELLAPENNA..... 3